

REDMOND PLANNING COMMISSION MINUTES

June 13, 2007

COMMISSIONERS PRESENT: Chairperson Petitpas, Commissioners Querry, Snodgrass, McCarthy, Hinman

STAFF PRESENT: Terry Marpert, Lori Peckol, Joel Pfundt, Jayme Jonas, Redmond Planning Department

RECORDING SECRETARY: Gerry Lindsay

CALL TO ORDER

The meeting was called to order at 7:00 p.m. by Chairperson Petitpas in the Council Chambers at City Hall.

APPROVAL OF THE AGENDA

There were no changes to the agenda.

ITEMS FROM THE AUDIENCE

There were no items from the audience.

PLANNING COMMISSION TRANSMITTAL REPORT APPROVAL

■ Taylor Development Guide Amendment

Chairperson Petitpas said the final report and minority report were approved by Commissioners and forwarded to the City Council. The Council on June 12 looked over the reports and indicated support for the proposed amendment provided the Commission thoroughly reviews the MP policies and regulations in 2008.

PUBLIC HEARING AND STUDY SESSION

■ Overlake Neighborhood Plan Update and Group Health Request for Development Guide Amendment

Chairperson Petitpas said the public hearing will remain open until June 20.

Donn Roberts spoke as the owner of two lots in the Koll Limited Edition Complex and president of the owner's association for the complex, which is located at the northwest corner of 152nd Ave. NE and NE 20th Street. He explained that the complex is comprised of office condominiums, with a total of nine buildings and 19 properties. Each building is divided in half with a common wall; the 19th property is a common area, which is the area outside of the footprint of the nine buildings. There are 19 separate tax parcels and

14 separate owners with the majority occupying their property with their own businesses. He said that in 1981 he purchased one of the properties and then in 1991 when his company grew too large he sold the first property and purchased two others. He said in 2001 he sold his company to the Trane Company and leased the building to them; they were issued a business license under the usage category of commercial heating and air conditioning, which is a use not currently permitted by the zoning of retail commercial adopted in 1999. The Trane Company plans on leaving later in the year, and finding someone to lease the buildings is proving to be difficult due to the zoning restrictions.

Continuing, Mr. Roberts said over the past several months, four potential buyers have been interested in the two buildings, but none have been able to obtain a business license from the City of Redmond for their use. Each of the potential buyers would have occupied the buildings with their businesses. So far, there have been offers from software and general contracting type businesses. One offer was received from Eaton School, which is an acceptable use, but they found the buildings unacceptable because of inadequate parking, limited ingress and egress, and no opportunity for outside activities because all areas outside the buildings are owned in common. Banks and retail companies have inquired about the buildings but lost interest when they realize there is a lack of retail frontage and visibility. The problem is that the interested businesses are not allowed uses and the businesses that are allowed uses are not interested because the complex does not suit their needs. The buildings are attractive to owner-occupied commercial businesses of the kind that currently occupy the complex and have for the past 26 years. The Commission was asked to recommend restoring the business park zoning to the unique office condominium complex.

Glenn Oaks, 2205 152nd Avenue NE, said he and his wife purchased Building 4 in the Limited Edition complex two and half years ago in order to operate a specialty printing business. He said he would like to sublease the portions of his building that are not being used but is having difficulty because of the RC zoning restrictions. He said that while he does not need retail signage and advertising frontage, the lack of visibility is an issue in drawing in other companies. His small, family-owned company needs the income that could come from subleasing. The various city departments dealt with have all been fair and welcoming. Overall, the City has been friendly to small businesses and has worked to retain them and enhance the small business environment. The Limited Edition complex is an anomaly compared to the other properties in the overall development scheme of Overlake Village because of the way it is designed, how it is owned, and the common utilities. He said he would like the City to take a close look at how to classify the complex because it could be a vital part to the City's plan for small businesses providing employment, paying taxes, being part of a friendly community, and having a true diversity in its entrepreneurial and community background.

Noel Lloyd, 2007 152nd Avenue NE, said he owns building 18 in the southwest corner of the Limited Edition complex. He said he purchased the first building in the complex in 1979 for his chiropractic practice and has been a continuous owner and occupier ever since, spending close to 30 years with the other business owners. He said he was present

to put a face to the small business owners in the complex because he is concerned about the usage. The zoning the businesses had prior to 1999 should be restored.

Donald Marcy, 524 2nd Avenue, Seattle, spoke on behalf of Microsoft. He raised the issue of a 300-foot transition zone along the east side of 148th Avenue NE that limits buildings to 35 feet in height. Microsoft is concerned about the properties located to the north of NE 51st Street; the height limit is a problem because it is an excessive regulation for the properties. The properties are already subject to a 200-foot setback, which provides a significant amount of distance between any development on those properties and the residentially zoned properties on the west side of 148th, and distinguishes them from other transition areas where residential meets commercial or office zoning. Other ways to address the potential interaction and conflict between residential and commercial properties are landscaping and berms. The Scheffield Greens residential complex on the west side of 148th has a substantial amount of landscaping, and in conjunction with the 200-foot setback and landscaping naturally required along the east side of 148th, should more than mitigate any potential impacts between the commercial development on the east side of 148th and the residential development on the west side of 148th. Microsoft would like the city to adopt a policy that allows an exception to the 300-foot transition zone for those properties, since they are uniquely situated. The 300-foot transition zone in conjunction with the 200-foot setback imposes some development constraints on the property. Microsoft is also concerned with pedestrian and bicycle trails on the properties located north of NE 51st Street from a risk and liability standpoint. He asked for verification that none of the properties owned by Microsoft are designated for parks.

Commissioner McCarthy asked for specifics regarding the practical impact of the limitation. Mr. Marcy said any buildings located within the limitation area could lose one to two floors of floor space. He said the undeveloped property on 148th is already constrained on the east side by trees, and with this new limitation, potentially several buildings could lose half their height and would be restricted to only two floors rather than four.

Jeff Jochums, 1040 SE 28th Place, Bellevue, spoke on behalf of the owners of the Limited Edition complex, and in particular Donn Roberts. He said he is a commercial real estate broker with experience in the general eastside office market, specializing in office space since 1995, and has sold four or five buildings in the complex. He said he was hired a few months ago to market one of the buildings in the complex. The bulk of the prospective buyers have been technology or software companies interested because of the close proximity to Microsoft. The uses are not currently allowed, however. Most of the companies would use the space the same way that a law firm, engineering firm, or accounting firm would use the space; those uses are allowed. It has been necessary to turn away prospective buyers because they cannot get a business license to operate in the area. The marketing of the unit has been changed to focus on uses that do comply with the zoning, which initially attracted a local school to the site, but because of the lack of flexibility to put in an outdoor play area and have their own identity, the school elected not to buy. Pete's Wines, a wholesale operation, has been interested but is struggling with the lack of visibility and lack of parking. The building is not truly designed for retail and

lacks the storefront and panache that most retailers look for. The zoning restrictions are impacting the value of the buildings to the owners and their ability to lease or sell them. He said he believes the business park zoning should be expanded, or the retail commercial zoning language should be amended, to allow for straight office uses.

Commissioner McCarthy asked if the condominium aspect of the site provides any particular challenges or drawbacks in the marketplace. Mr. Jochums replied that because of the condominium nature of the ownership, there is a set of covenants and restrictions that all buildings have to comply with. That dictates what the exteriors of the buildings can look like, what kind of signage can be done, and any outside additions.

Commissioner McCarthy asked if there have been any inquiries about purchasing the whole complex and possibly redeveloping all of it. Mr. Jochums said there have not been inquiries of that sort, but allowed that something like that might be necessary in order for the City of Redmond to obtain the desired development. However, that would likely cause several businesses to relocate to other cities and would reduce the number of incubator sites in the city.

There were no additional persons from the public wishing to testify. Chairperson Petitpas left the public hearing open.

Planner Jayme Jonas informed the Commission that nine letters were received concerning allowed uses in the Overlake Village area, in addition to a letter received from Microsoft. In response to Mr. Marcy's question, Ms. Jonas said no specific properties have been identified for parks in the Overlake Neighborhood. The city is, however, seeking opportunities to obtain park land; one such opportunity is associated with the pending Nintendo development agreement.

Commissioner Hinman listed the items on the issues table and noted that there have been a couple of comments received on the environmental summary. He urged the Commission to decide which additional concerns should be placed on the issues matrix. He commented that the land use and transportation components of the environmental summary have already been discussed and pointed out that a water storage facility will need to be put in the Overlake Village area, likely near Group Health or Microsoft because of the higher elevation.

Policy Planning Manager Lori Peckol said there is an administrative design flexibility provision that applies throughout the city. It has criteria for evaluating applications and sets specific parameters for what can be considered. The proposed policy in N-OV-14 referenced in issue 7 has a broader criteria for evaluation.

Chairperson Petitpas said she would like to see bike lanes included in proposed policy N-OV-71 because people bike from employment centers and retail areas. Transportation planner Joel Pfundt noted that bike lanes are not typically placed on local streets since the traffic speeds and volumes are not enough to create the need. He suggested having the language read "...make accommodations..." for bicycles rather than using the term "bike lanes."

Commissioner Query asked who would provide sidewalks. Mr. Pfundt said the city pays for and constructs sidewalks on new roads as well as old ones built by the city. Developers must provide them when they create new street frontage.

Commissioner Snodgrass voiced satisfaction with issues 1, 2, 3 and 5. He asked to leave issue 4 open for further discussion, but agreed to take it off the issues table.

Commissioner Hinman asked if there were any additional policy issues that needed to be identified.

Commissioner Snodgrass asked if the parking policies in NOV-43 are on the issues list. Ms. Jonas said she would add it to issue 10.

Regarding issue 20, Ms. Jonas explained that convenience, commercial and service uses are permitted uses in the Overlake Village area. The point of the new policy, N-OV-70, is to allow some of the uses to locate in the employment area so the employees have adequate access to them.

After some discussion, the Commission decided "...small-scale..." should be moved to the beginning of the sentence in the new policy to have it read "...permit small-scale convenience, commercial, and convenience service uses...."

Moving to issue 21, Commissioner Hinman asked which policy is correct. Commissioner Query said the old policy was 39 and the new is 64, 65. Ms. Jonas added that proposed policies 31 and 32 do address pedestrian-supportive environments.

Commissioner Snodgrass asked if the policy in issue 31 proposes that the minimum acceptable standard in Overlake be pedestrian supportive environments, which would establish design parameters and guidelines for items such as sidewalks and setbacks. Mr. Pfundt says that is what the Transportation Master Plan says and all new projects should be built to a pedestrian supportive standard. Commissioner Snodgrass asked if it is possible to make 148th pedestrian supportive. Mr. Pfundt said it is possible but that it would take wide sidewalks, wide buffers, and a lot to make the land uses interact with the pedestrian realm because it is such a busy street. With less busy streets it would not take as much sidewalk to be pedestrian supportive.

Chairperson Petitpas noted that the definition of pedestrian supportive varies by the level and location of the roads.

Commissioner McCarthy suggested removing the word "provide" from the definition so that it would read "...ensure that these things support a pedestrian environment."

Commissioner Hinman asked for clarification on what the Transportation Master Plan (TMP) says. Mr. Pfundt said it says the standard to which projects are built is "supportive".

Commissioner Snodgrass asked if this policy presents an unrealistic goal or impediment to reasonable development. Mr. Pfundt replied that it does not. In the past there has been enough flexibility to meet the intent and to be able to follow the guidelines.

The Commission decided that issue 31 is consistent with the TMP and reiterates the objectives. It was agreed the phrase "...supports the pedestrian environment as outlined in the TMP" should be added.

Commissioner Hinman closed issue 31 but allowed that the language will need to be reviewed.

Regarding the Green Streets in issue 22, Commissioner Snodgrass asked if there needs to be a policy to support the regulations. Ms. Jonas said proposed policy N-OV-40 covers it. Ms. Peckol added that some of the Green Streets concepts are in the proposed policies N-OV-35 and N-OV-36.

Commissioner Hinman closed issue 22.

Regarding issue 23, Chairperson Petitpas said she approves of having small gateways that are publicly funded. She said she would like to look for opportunities in the redevelopment process where small gateways could be added. Ms. Jonas added that the proposed Master Plan and Implementation Strategy mentions specific places where gateways could be located.

Commissioner Snodgrass commented that the Redmond side of Overlake would be a good place for gateways because they would help identify the fact that part of Overlake is actually in Redmond.

Commissioner Query mentioned that the Council is not in favor of the gateways because of concerns about the potential cost given the large number of possible locations for gateways.

Commissioner Hinman asked if the gateways are on the tier two portion of the incentives. Ms. Jonas said gateways are not part of the incentive program.

Commissioner Hinman closed issue 23.

In reference to issue 24, Mr. Pfundt commented that light rail is a critical part of the plan. He said it is unlikely there would be a 40 percent mode split without the light rail.

Commissioner Query mentioned that in the policy in issue 29, the mode split is for daily trips, not commute trips.

There was agreement to close issue 24.

Attention was drawn next to issue 7. Commissioner McCarthy asked if, when the SR-520 bridge gets replaced, the added capacity will have any impact on what the City can expect to see in terms of traffic through the Overlake area, and if any of the additional development in Overlake will be dependent on or require more facilities to be built, and if so, who will be required to pay for them. Mr. Pfundt said the SR-520 sensitivity analysis determined that the width of the bridge will have only a small impact on traffic volumes on the freeway through Overlake. The assumptions built in include some improvements to the Overlake section of SR-520, though what form they will take is as yet unknown.

The Commission agreed to close issue 7.

Commissioner Query suggested issue 8 is generally embedded in the general discussion and does not need to be discussed separately. The issue was closed.

Commissioner Hinman said issues 11 and 12 were both raised in discussions about circulation around the campus area and pedestrian safety. He proposed moving to the topic of pedestrian safety.

Chair Petitpas stressed the need for connections between the corporate campus area and the Overlake Village area, as well as between those areas and Downtown. Ms. Jonas said proposed policy 28 talks about mobility within and connections to and from Overlake, and the policy is focused on all modes. It was agreed to strengthen the language to stress the need for connections to the Downtown and other areas.

It was agreed that issue 12 could be closed.

Commissioner Hinman returned the focus to issue 9 and the 152nd corridor. Commissioner McCarthy suggested that there are a number of elements that will keep the matter in play for a long time.

Commissioner Hinman recommended bundling issues 9, 13 and 14, each of which concerns transit-related facilities. Commissioner Snodgrass suggested the Commission could benefit from having staff spend an hour with the Commission reviewing the relevant issues. It was agreed to combine the issues and table them to another meeting.

With regard to the comments from Viewpoint residents and the question raised by Commissioner McCarthy, Ms. Peckol said the process undertaken to date has involved all of the Overlake study area, including the single family residential portion of the area. She allowed, however, that certain residential issues typically covered through the neighborhood planning process have not been addressed, such as residential design standards and allowances for cottage housing. The proposal is to continue with the proposed boundaries between Overlake and Viewpoint and to include the residents of the single family neighborhoods of Overlake together with the Viewpoint planning process. The Overlake Neighborhood Plan was last updated in 1999; at that time there was policy support established for single family neighborhoods in transition to employment areas. The proposed update keeps that intent intact but also updates the format and organizes the

policies in a way that makes sense. There could ultimately be two sets of housing regulations, one for Viewpoint, and one for Overlake.

Commissioner McCarthy observed that the topics to be introduced as new to Overlake should also be introduced as new to Viewpoint. He noted that there has been such build out in the residential areas that new development will represent only a very small portion. It will make sense to discuss them together.

Ms. Peckol said the typical neighborhood planning process takes about two years to complete and updates are typically scheduled for every six years.

Issue 16 was closed on the agreement to address residential issues for Overlake such as design standards and cottage housing through a combined process with Viewpoint. Issue 17 was also closed.

REPORTS/OTHER DISCUSSION TOPICS

Chair Petitpas said the Council is expected to vote on the Taylor Development Guide amendment on June 19. She said the Council expressed favor for all of the work done by the Commission on the topic.

SCHEDULING/TOPICS FOR NEXT MEETING(S)

The Commission briefly discussed the topics to be covered on June 20.

Mr. Marpert said staff will get back to the Commission soon with possible retreat dates.

ADJOURN

Chairperson Petitpas adjourned the meeting at 10:07 p.m.

Minutes Approved On:

Recording Secretary